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CHEVY CHASE VILLAGE  
BOARD OF MANAGERS  
NOVEMBER 13, 2013 MEETING

STAFF REPORT

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**TO:** BOARD OF MANAGERS

**FROM:** SHANA R. DAVIS-COOK, VILLAGE MANAGER 

**DATE:** 11/7/2013

**SUBJECT:** BUDGET TRANSFER REQUEST: TRANSFER \$11,709 FROM RESERVES TO THE "FACILITIES, FLEET & INFRASTRUCTURE, VILLAGE HALL" CATEGORY IN THE FY2014 BUDGET.

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During your meeting on October 14, 2013, the Village Board approved the lease agreement with the United States Postal Service for use of the northernmost section of the Village Hall and a Commission Agreement with CBRE, the Postal Service's real estate transaction broker for this lease negotiation. The Commission Agreement requires the Village to pay CBRE a commission rate that is 3% of the value for the base term of the lease. The value of the five-year lease is \$390,285, 3% of which is **\$11,708.55**.

These funds were not budgeted in the current fiscal year, and must be allocated from reserves to the Facilities, Fleet & Infrastructure category of the FY2014 budget under the Village Hall sub-category.

**Board Action Requested/Draft Motions**

I move to authorize transferring \$11,709 from reserves to the "Facilities, Fleet & Infrastructure, Village Hall" category in the FY2014 budget for the commission payable to CBRE as the agent for the United States Postal Service during recent lease negotiations for rental of a portion of the Village Hall.<sup>1</sup>

**Attachment**  
CBRE-Commission Agreement (executed)

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<sup>1</sup> This action will require an affirmative vote of at least five members (state law requires an affirmative 2/3 vote of the governing body to transfer funds between major budget categories).

**CBRE- COMMISSION AGREEMENT**

This document is entered into this 30 day of October 2013 between Chevy Chase Village, having an address of 5906 Connecticut Ave, Chevy Chase, MD 20815, as owner or owner's authorized agent ("Owner") and **CBRE, Inc.** affiliate or assign ("Broker") for the payment of commission as described herein.

1. USPS Chevy Chase Branch  
**5910 Connecticut Ave**  
**Chevy Chase, MD 20815**

2. Agreement

Upon the execution of the LEASE ("Lease") which becomes effective 01/01/2014 between Owner and US Postal Service ("Tenant"), Owner agrees to pay a leasing commission of which CBRE's share is equal to 3.0% of the Lease Value for the fixed term of the Lease.

Period	Annual Rent	Total Rent	Commission Rate	Amount Due
01/01/2014-12/31/2018	\$78,057	\$390,285.00	3.0%	\$11,708.55
<b>TOTAL</b>				<b>\$11,708.55</b>

3. Time of Payment

Payment shall be made by Landlord within 30 days of full execution of Lease Agreement. Please see the instructions below for either check or wire payment. PLEASE NOTE: An invoice will be submitted by CBRE, Inc. at the time payment is due. Please do not send a check prior to receiving an invoice.

In the event that during the initial term of the Lease the real estate services contract between CBRE and Tenant is determined to be legally invalid, voiding the tenant agency relationship created by such contract, then CBRE shall reimburse the leasing fee in full to Landlord within 45 days of such contract becoming invalid.

a. **Wiring Instructions:**

Bank Name:	Wells Fargo
Address:	333 S. Grand Avenue 3 <sup>rd</sup> Floor Los Angeles, CA 90071
ABA Number:	121-000-248
Swift Code	
Name on Account:	CBRE, Inc. -

## Commission Agreement

Lockbox Address –via US Mail  
CB Richard Ellis, Inc.  
P.O. Box 406588  
Location Code 2011  
Atlanta, GA 30384-6588

#### 4. General Provisions

This Agreement constitutes the entire agreement between Owner and Broker and supersedes all prior discussions; negotiations and agreements, whether oral or written. No amendment, alteration or withdrawal of this Agreement shall be valid or binding unless made in writing and signed by both Owner and Broker. Any purported amendment, modification or withdrawal which is oral shall be void and of no effect whatsoever. This Agreement shall be binding on the heirs, successors and assigns of the respective parties.

#### 5. Authority

Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement on behalf of the party for whom he or she signs and that this Agreement binds such party.

#### OWNER


By:

By:

Name:

Title:

Date:

  
Shanell Davis-Cook  
Village Manager  
October 30, 2013

#### BROKER

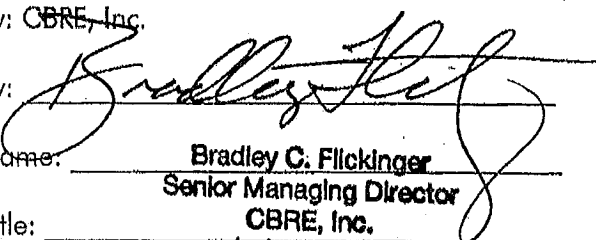
By: CBRE, Inc.

By:

Name:

Title:

Date:

  
Bradley C. Flickinger  
Senior Managing Director  
CBRE, Inc.  
7/11/13

